

**GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA**

UNSTARRED QUESTION NO:4494
ANSWERED ON:25.04.2005
PRICES OF ESSENTIAL MEDICINES
Chowdhury Shri Adhir Ranjan

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

- (a) whether the small scale units have been instrumental in bringing down the prices of essential medicines in the country;
- (b) if so, whether the provisions of schedule M made mandatory in January 2005 involved huge investment in plant and machinery which have checked the growth of small scale drug units; and
- (c) if so, the steps taken by the Government to ensure development of these small scale units?

Answer

THE MINISTER OF CHEMICALS AND FERTILIZERS AND MINISTER OF STEEL (SHRI RAM VILAS PASWAN):

(a) to (c) Schedule M to the Drugs and Cosmetics Rules, 1945 relating to Good Manufacturing Practices and requirements of premises, plant and equipment for pharmaceutical products was amended vide GSR 894(E) dated 11.12.2001 for maintenances of quality control in production of drugs. The difficulties expressed by the manufacturers especially those belonging to small scale sector in respect of some provisions relating to additional space etc., were further examined and a Gazette notification GSR 738(E) containing Draft Rules providing appropriate relaxation has been published on 8.11.04. Financial assistance is available for technology upgradation to small scale drug and pharmaceutical units under Credit Linked Capital Subsidy Scheme. Small Scale industry units are exempted from implementing prices for some of the formulations for which Government fixes prices under the provisions of the Drugs (Prices Control) Order, 1995, as per Gazette Notification S.O. No. 134 (E) dated 2nd March, 1995.